



## COMMERCIAL VISUAL IMPROVEMENT PROGRAM MANUAL

### A. Program Summary

This program is intended to provide a property owner and/or business owner financial assistance for undertaking the exterior rehabilitation and renovation of commercial or industrial properties located in the City of Las Vegas Redevelopment Area ("Redevelopment Area"). All commercial and industrial properties within the Redevelopment Area are eligible for assistance. The City of Las Vegas Redevelopment Agency ("Agency") will rebate, up to a maximum of fifty thousand dollars (\$50,000), any Pre-approved Qualified Exterior Improvements undertaken by the applicant. **In consideration for the rebate, the property owner shall agree to grant and convey to the Agency a nonexclusive Façade Easement Deed and Building Maintenance Agreement to be recorded upon the property, at completion of the improvements, for a period of five (5) years.** The property owner and/or business owner will have the option to repurchase the Façade Easement and Building Maintenance Agreement from the Agency during the five (5) years.

### B. Program Objectives and Goals

The primary objective of the Commercial VIP is to encourage the rehabilitation of downtown commercial buildings, enhance the physical appearance of the area, and improve the overall economic viability of downtown. This objective compliments the goals of the City of Las Vegas Redevelopment Agency Plan, the City of Las Vegas Downtown Centennial Plan, and the City of Las Vegas 2020 Master Plan.

These objectives can be accomplished by encouraging commercial and industrial property owners and long-term tenants to reinvest in and renovate their properties. The program is intended to improve the aesthetic nature of properties and to assist in bringing properties up to current building and property code standards, while also acting as a catalyst for other nearby property owners to consider participating in the Commercial VIP.

Each applicant should be prepared to demonstrate how its proposed project meets one, or more, of the following Program goals:

1. *The project results in a significant improvement to the exterior of a commercial or industrial building consisting of and including one or more of the following:*

- *Appropriate, permanent landscaping;*
  - *Improved and upgraded signage on the building parapet or on a monument/pole sign. If multiple signs are used to differentiate businesses located on the property, then coordination and style of signage will be important;*
  - *Better access and availability of parking for on-site customers;*
  - *Exterior improvements to include any of the following: painting, window repair/replacement, improved entryways, lighting, new or repaired/replaced awnings, and cleaning of exterior walls; and*
2. *The building or buildings to be improved are clearly visible from a street, sidewalk, or public right-of-way.*
  3. *The project maximizes the leveraging of Agency funding with private equity or private debt participation from the project owner or owners.*
  4. *The owner of the project is committed to maintaining or expanding its business presence at the project location.*
  5. *The owner of the project is committed to maintain all project improvements for the useful life of the improvements.*
  6. *The project possesses positive economic attributes that will provide and increase economic activity around the surrounding neighborhood.*

### C. Funding Priorities

To support the Commercial VIP Program Objective and Goals, the Agency reserves the right to fund projects according to the following funding priorities (in no particular order):

1. *Projects located within the City of Las Vegas Redevelopment Area;*
2. *Projects for which the existing building or on-site improvements are substantially dilapidated;*
3. *Projects for which multiple and adjacent business owners seek to collaborate;*
4. *Projects for which the owner or owners demonstrate the maximum possible leveraging of City funds;*
5. *Projects which are catalytic in nature and have the potential to revitalize and promote the economic stability of the surrounding neighborhood;*
6. *Projects for which a business owner or owners demonstrate the ability to sustain the improvements; and*

7. *Projects for which a business owner or owners demonstrate that no other reasonable means of financing exist to fully fund the desired improvements.*
8. *Projects for which the property owner has tenant vacancies and is looking to substantially improve the property to attract tenants that reflect the increasing economic growth and transition of the surrounding neighborhood and will seek input from the Agency for desirable businesses, or provides a re-tenanting plan that meets with the approval of the Agency.*

**D. Commercial VIP: Matching Contribution Requirement**

To ensure that the Agency's investment in the Project is maximized, the Agency will require the applicant to provide a 100% matching cash contribution to the Agency's funds and that the applicant has a vested financial interest in the completion of its exterior improvements. The Agency requires that the applicant's matching cash contribution, as evidenced by paid invoices and cancelled checks, be spent first before the Agency contributes to the project.

**E. Program Eligibility**

All commercial, industrial and mixed-use properties located in a designated Redevelopment District Commercial VIP corridor and located in commercial or industrial zoning districts throughout the City are eligible to participate in this program. Properties which have multiple retail tenants and/or vacant storefronts will be considered on a case-by-case basis. Applicant must provide a list of current tenants and a re-tenanting plan which details the types of commercial retail tenants the applicant will recruit.

All of the following requirements must be satisfied for a project to receive funding:

1. *The project is located within the City of Las Vegas Redevelopment Area at the time of application.*
2. *The applicant must demonstrate site control for the project. This can be demonstrated through either:*
  - a. *Fee simple ownership; or*
  - b. *Owner/mortgagor of the property with a minimum of 20% equity interest in the property; or*
  - c. *Long-term leasehold interest for a minimum period of five (5) years subsequent to the date of application, with all lease payments current at the time of application.*
  - d. *Long-term leaseholder will provide proof that property owner has consented to the business owner to apply for the Commercial VIP.*
3. *The property on which the project is situated must be free of all mechanic's lien at the time of application.*
4. *The applicant must not have any current bankruptcy proceedings, or past bankruptcy proceedings, whether corporate or personal, within the past five (5) years.*

5. *If applicable, the applicant must have a current City of Las Vegas business license.*
6. *The applicant must have proper zoning on which the building or improvements are situated.*
7. *The applicant must not have any past-due federal, state, or City of Las Vegas tax bills at the time of application.*
8. *The applicant must have no past-due bills or debts payable to the City of Las Vegas or the Agency.*

#### **F. Ineligible Properties**

The following properties are ineligible:

1. *Single-family residential properties;*
2. *Multi-family residential properties; or*
3. *Properties which have received funding from the Agency, or from the City of Las Vegas, within the prior five (5) years for capital improvements, on-site improvements, or off-site improvements; or*
4. *Properties or projects which do not satisfy all of the Program Eligibility requirements.*

#### **G. Program Operation**

##### **1. Direct grants on Reimbursement Basis**

Incentives to program applicants will be in the form of cash rebates. Applicants will be eligible to receive a rebate of up to \$50,000 of eligible pre-approved improvement costs. The maximum amount for any individual grant award is \$50,000. The Agency reserves the right to pay in installments, or in one lump sum amount. Participation in this program and approval of any grant is at the sole discretion of the Agency. The Agency reserves the right to refuse payment of any change orders not authorized prior to the commencement of construction work.

##### **2. Required Matching Contribution from Participant**

Each applicant located within the City of Las Vegas Redevelopment Plan Area must contribute a dollar-for-dollar match (1:1) to the Agency's funds. For example, an applicant which has a project costing \$100,000, would be required to spend its matching contribution of \$50,000 first, before the Agency would reimburse the participant a matching amount of \$50,000.

The Agency will only consider cash contributions, or equivalent, from the applicant as evidence of meeting the required matching contribution.

**The Agency requires the participating business or property owner to expend its matching cash contribution prior to the disposition of Agency funds.**

The Agency encourages applicants to contribute the maximum matching contribution possible. Applicants which propose to contribute higher matching contributions may be given preference by the Agency for assistance.

### 3. Use of Funds – Pre-Approved Qualified Exterior Improvements

Pre-approved Qualified Exterior Improvements which shall be considered for reimbursement includes the following: painting, cleaning, tuck pointing, façade repair/replacement, window repair/replacement, doorways, lighting, new or substantially rehabilitated signage, window tinting, new or replacement awnings, permanent landscaping, parking lots, and rear access renovations. All Pre-approved Qualified Exterior Improvements must be seen from the public right-of-way.

Demolition of obsolete structures or signage improvements may be eligible only when undertaken as part of an overall renovation project. Any other external improvements required to bring a building or property up to code are also eligible. Additions and expansions to buildings that will benefit the overall appearance of the property may also be eligible.

**All plans must be approved by the City of Las Vegas Redevelopment Agency prior to the commencement of any construction work.**

Improvements may be made to individual commercial or industrial buildings and commercial or industrial centers, as well as qualified commercial or industrial property. Permanent landscaping may be included in this program provided that all improvements meet City codes and ordinances, and are consistent with any development plans adopted by the City of Las Vegas and by the City of Las Vegas Redevelopment Agency.

### 4. Contractor procurement

A minimum of three (3) comparable bids must be submitted as part of any Application requesting Agency participation of \$25,000 or greater. All bids must include detailed specifications of the scope of work to be performed. Contractors must have all proper licenses, including but not limited to a business license and a Nevada State Contractor's license. If the applicant is unable to obtain three (3) or more competitive bids, the applicant shall provide the Agency with documentation detailing when and which licensed contractor(s) were contacted.

### 5. Review by Internal Design Committee

The Director of the Office of Business Development, as the Program Director, may appoint members of an Internal Design Review Committee. The Committee shall include, but not be limited to, staff from the following City departments or divisions: Land Development, Public Works; Current Planning; Development Coordination, Public Works; Redevelopment Officer, Office of Business Development; and additional staff as needed to review the architectural, engineering, and planning merits of the proposed improvement or improvements.

6. Warranty information

The final selection of a contractor is the sole responsibility of the participating business. As such, the Agency shall offer no warranty on work performed. The applicant should obtain any desired warranty information from the contractor in writing.

7. Prohibited use of funds

Funds may not be used for: working capital; property, equipment or inventory acquisition; the refinancing of existing debt; or the refinancing of private funding.

**H. Availability of Funds**

The Agency has agreed to budget a certain amount of funds for this program, which may be amended from time to time. Applications will be accepted throughout the year. Once all budgeted funds for that year are expended, no further applications will be accepted.

For the purposes of this program, a commercial property shall be any property, business, or use which contains a zoning designation of a P-R, N-S, O, C-D, C-1, or C-2 as defined by City of Las Vegas Zoning Ordinance Chapter 19A.04.

An industrial property shall be any property, business, or use which contains a zoning designation of either C-PB, C-M, or M, as defined by City of Las Vegas Zoning Ordinance Chapter 19A.04.

To be eligible, a commercial property or industrial property must meet all requirements of the Commercial VIP Program, as specified above in Section E, Program Eligibility. Properties specified in Section F. Ineligible Properties and those properties that are deemed non-responsive to addressing the changing characteristics of the surrounding neighborhood by the Agency, shall not be eligible for this program.

The Agency shall have the ultimate authority to accept or reject each Application, and have complete authority to decide whether requested work is eligible for this program.

**I. Approval Policy**

Applications will be reviewed in the order which they are received. Approval will be based on the following criteria:

- the condition of the existing structure or property;
- the value of the completed improvement;
- the amount of matching funds contributed by the Participant;
- consistency with City of Las Vegas development and construction requirements;
- potential to stabilize or increase economic activity within the surrounding neighborhood;
- current and future tenant mix; and
- the quality of the proposed design.

The Agency shall commit funds only after a Commercial VIP Agreement with the applicant is approved by the Las Vegas City Council acting as the Board of Directors for the City of Las Vegas Redevelopment Agency.

Any action taken by the City of Las Vegas Redevelopment Agency Board of Directors is final. There is no appeal process for applications which are not approved by the City of Las Vegas Redevelopment Agency Board of Directors.

Payment for grants under \$25,000 shall be made in accordance with the City's Direct Payment Request Policy, No. FN206.